

## Message Text

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FM SECSTATE WASHDC

TO ALL EAST ASIAN AND PACIFIC DIPLOMATIC POSTS

AMEMBASSY MOSCOW

USMISSION USUN NEW YORK

INFO CINCPAC HONO

COGARD

GOVGUAM

TREASURY

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PLEASE PASS TO J. ZEROLIS/LOS DELEGATION

E.O. 11652:N/A

TAGS: PFOR, XC, US

SUBJECT: AUGUST 4 EA PRESS SUMMARY

### 1. KOREA

PROSECUTORS TUESDAY ASKED PRISON TERMS UP TO 10 YRS FOR  
KIM DAE JUNG, 14 OTHER DISSIDENTS ON TRIAL FOR MAR 1  
MYONGDONG DECLARATION. AFTER SESSION LAWYERS NOTIFIED  
SEOUL COURT WERE QUITTING CASE BECAUSE RIGHT DEFEND  
ACCUSED RESTRICTED. JUDGE DELAYED TILL THURS PROSECUTION  
REQUEST FOR PENALTIES FOR FORMER PRES YUN PO, FORMER  
FM CHUNG YIL-HUNG, CIVIL RIGHTS LEADER HAM SUK-HUN  
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(CHITRIB; REUTER, SEOUL; AP, SEOUL).

REUTER (PARIS) CITES OFFICIALS WHO SAID TUES PRES GISCARD  
REJECTED SK REQUEST FOR SMALL PLUTONIUM REPROCESSING

PLANT. WAS ASKED BY ROK AS PART 2 NUCLEAR POWER PLANT AGREEMENT INITIALED BY TRADE MIN BARRE IN SEOUL OVER WEEKEND. OFFICIALS ADDED WOULD BE SUBJECT INTL INSPECTION. FRAMATOME WILL BUILD. PRICE ESTIMATED BILLION DOLS.

KOREAN PHARMACIST ASSN PICKETED DISTRICT BLDG TUESDAY, IN PROTEST ALLEGED DC BIAS IN LICENSING (THOMPSON, WP).

## 2. CHINA

WESTERN DIPLOMATS SAY PEKING'S 6 MILLION CITIZENS MAY BE SLEEPING IN STREETS FOR WEEKS/MONTHS IN FEAR ANOTHER QUAKE. CHINESE FAMILIES REINFORCING MAKESHIFT SHELTERS, ADDING TABLES/CHAIRS, HANGING PICTURES MAO. FON MIN SPOKESMAN SAID MAO STILL IN CAPITAL, TERMED PRESS REPORTS TO CONTRARY "ENTIRELY GROUNDLESS" (GRIFFITHS, REUTER; ALSO IN CHITRIB, CSM, PHINQ, NYT). LATER REUTER ITEM REPORTS TANGSHAN-FENGMIN AREA STILL EXPERIENCING AFTERSHOCKS; CHINESE AIR FORCE PARACHUTING SUPPLIES INTO DISASTER AREA (GRIFFITHS). RADIO PEKING REPORTED TAKANG OILFIELD, SOME 100 MILES SOUTH OF TANGSHAN, ALSO AFFECTED (WP). PEOPLE'S DAILY REVEALED 8/2 NUMBER RESCUE WORKERS HAVE LOST LIVES SINCE QUAKE, POSSIBLY WHEN POST-QUAKE TREMORS BROUGHT DOWN ALREADY-WEAKENED BUILDINGS (MUNRO, CSM 8/4).

HUNDREDS FROM PEKING'S DIPLOMATIC COMMUNITY, OTHER FOREIGNERS ARRIVED TOKYO/HK, TOLD OF SITUATION DURING/AFTER PRC QUAKE. EVACUATION WIVES/CHILDREN US DIPLOMATS FROM PEKING COMPLETED. WIFE JAPANESE EMB'S 1ST SEC NOTED QUAKE ANNOUNCEMENT FOLLOWED "BY THE USUAL CALL FOR FURTHERING CRITICISM AGAINST TENG." HSINHUA REPORTED "UNITED AND HEROIC" STRUGGLES IN REBUILDING TIENTSIN. CASUALTY FIGURES STILL WITHHELD, BUT SPECULATION FROM FOREIGNERS RUNS FROM TENS OF THOUSANDS TO 1 MILLION KILLED (AP, LAT 8/3, SUN; NYDN).

HSINHUA SAYS PRC HAD RECORD SUMMER GRAIN HARVEST DESPITE UNCLASSIFIED

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BAD WEATHER/INSECT DAMAGE. NO FIGURES DISCLOSED, BUT FOREIGN SOURCES IN PEKING ESTIMATED LAST YR'S HARVEST AT 280 MIL TONS. USDA PLANS NO GRAIN SALES TO PRC THIS YR (CHITRIB).

## 3. INDOCHINA/THAILAND

US EVACUEES SAID STARTLED BY SUDDEN RELEASE AFTER BEING HELD 15 MOS (WSTAR 8/3).

NHAN DAN ATTRIBUTES SUCCESS COMMUNIST COUNTRIES AT OLYMPICS TO SUPERIOR SOCIALIST SPORT POLICY (REUTER HK).

RTG, LAOS AGREE REOPEN COMMON BORDER, LET ALL THAI PRISONERS IN LAOS GO FREE. THAI FONMIN SIGNS AGREEMENT, GOES ON TO HANOI FOR FURTHER FENCE-MENDING VISIT (WP; CSM; WSJ).

AIRLINE EMPLOYEES RETURN TO WORK AFTER 24-HR STRIKE THAT STOPPED FLIGHTS INTO, OUT OF BANGKOK. STRIKE WAS IN PROTEST RTG PLANS MERGE THAI INTL, AIR SIAM (REUTER BANGKOK).

#### 4. BURMA

ANTI-GOVT GUERRILLAS KILL 4 IN GRENADE ATTACK ON RANGOON CENTRAL RR STATION; 67 INJURED, 5 CRITICALLY (REUTER RANGOON).

#### 5. PHILIPPINES

BENIGNO AGUINO, ONCE MARCOS' MAIN POLITICAL OPPONENT, REFUSES PARTICIPATE IN HIS TRIAL ON CHARGES SUBVERSION, MURDER, ILLEGAL POSSESSION WEAPONS. FORMER SENATOR UNDER DETENTION 4 YRS. WITNESSES EARLIER TESTIFIED AGUINO INVOLVED IN PLOT KILL MARCOS (CHITRIB; AP, NYT). AGUINO BLASTS MARCOS IN ARRAIGNMENT SPEECH, ACCUSES HIM HAVING "MURDERED" PHIL CONSTITUTION, SAYS USED MARTIAL LAW TO ACCUMULATE WEALTH, UNCHECKED POWER (UPI, NYDN). WP'S WIDEMAN CALLS AGUINO PHILS' FOREMOST POL PRISONER, NOTES TRIAL FOR LIFE BEFORE MIL TRIBUNAL. UNCLASSIFIED

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ADDS AGUINO IN SOLITARY CONFINEMENT SINCE ARREST. QUOTES IMELDA THAT MARCOS SAID IN 1971 PRESIDENCY COULD NOT BE ALLOWED GO TO AGUINO BECAUSE SUSPECTED LEANING COMMUNISM.

PHILS CLAIMS MAJOR OIL FIND ON REED BANK, AREA OFF W COAST ALSO CLAIMED BY PRC, VN, ROC. DRILLING DONE BY SWEDISH/US/FIL CONSORTIUM (REUTER MANILA).

NYDN GOSSIP COLUMNIST SUZY REPORTS IMEE MARCOS OFF TO VISIT PARENTS; INCLUDES PIC IMEE.

#### 6. JAPAN

BODY MISSING COED FOUND FLOATING JAPAN SEA. POLICE SAID "MAY HAVE BEEN MURDERED" ON SOV LINER BAIKAL, LANGUAGE STUDY GROUP (AP, NYDN).

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SPOKESMAN SAID C ITOH, MITSUBISHI SUBSIDIARIES WILL COORDINATE OIL REFINING OPNS IN LINE MITI PLAN

RESTRUCTURE REFINERY INDUSTRY (WSJ, TOKYO).

AP (TOKYO) SAYS CHINA QUAKE RAISING FEARS SIMILAR  
DISASTER JAPAN. NOTES RECENTLY RETIRED GOVT SEISMOLOGIST  
MOVED TO COUNTRY, SAID IF PEOPLE KNEW FACTS "WOULD ALL  
LEAVE."

REUTER'S MACKENZIE DESCRIBES "SOKAIYA", STRONG-ARM MEN  
HIRED BY SOME MAJOR FIRMS TO KEEP ORDER AT STOCKHOLDERS  
MEETINGS. BACK IN NEWS AFTER POLICE ARRESTED FOUR FOR  
ASSAULTING LAWYER WHO ASKED EMBARRASSING QUESTIONS AT  
MARUBENI ANNUAL MEETING. PRESS REPORT ALSO KEPT ORDER  
AT RECENT ANA MEETING.

#### 7. SINGAPORE

GOVT-CONTROLLED DEVELOPMENT BANK BELIEVED PLANNING ISSUE  
50-60 MILLION SU DOLS IN ASIAN DOLLAR CONVERTIBLE BONDS  
LATER THIS YEAR (JOC SPEC).  
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#### 8. PACIFIC ISLANDS

EARTHQUAKE RATTLES NEW HEBRIDES, CAUSED NO DAMAGE (UPI,  
NYDN).

#### 9. AUSTRALIA/NEW ZEALAND

AFTER WASHINGTON/OTTAWA OFFICIAL VISITS, PM FRASER GOES  
FISHING NW CANADA; PLANS VISIT EDMONTON, VANCOUVER  
ON WAY HOME (NYT). USSR ACCUSES FRASER'S GOVT OF  
"DANGEROUS, ADVENTUROUS TENDENCIES" IN FOPOL WITH US  
(UPI, NYDN; WP); CITES DOD INVITATION GOA USE DIEGO  
GARCIA FOR MAINTENANCE NUKE SUBS, CARRIERS, BOMBERS,  
AS WELL AS AUSSIE DECISION ALLOW US NUKE SHIPS ENTER  
ITS PORTS (UPI, NYDN).

DEFMIN ORDERS OFFICIAL INVESTIGATION INTO ALLEGATIONS  
AUSSIE TROOPS MASSACRED 27 CIVILIANS IN SVN IN 1970,  
BUT SAYS PROBABLY REFERRED TO SUCCESSFUL AMBUSH AGAINST  
VC. CHARGE MADE 0Y FORMER DEP PM CAIRNS WHO WAS TOLD  
OF INCIDENT ON RECENT TRIP TO VN (PHINQ; REUTER CANBERRA).

OVER 100 PRO-PLO DEMONSTRATORS JEER MOSHE DAYAN AT  
SYDNEY WHEN LEFT FOR HK TUES (AP, CHITRIB).

GOA CLEARS PLANS 2 FIRMS DEVELOP HUGE AGNEW NICKEL DEPOSITS

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IN W AUSTRALIA. WORK EXPECTED START THIS YR (WSJ).

AT OPENING ANZUS MEETING, US ASSURES AUSTRALIA, NZ

THAT HAS CAPACITY, DETERMINATION MATCH/COUNTER ANY  
USSR MOVE DOMINATE INDIAN, PAC OCEANS (REUTER CANBERRA).

10. GENERAL

PRES SENT ADMIN BILL ON FOREIGN PAYMENTS TO CONGRESS  
TUES; DRAFTED BY RICHARDSON TF. FORD MESSAGE SAID BILL  
WOULD REQUIRE US FIRMS ABROAD DISCLOSE "ALL SIGNIFICANT  
PAYMENTS, WHETHER PROPER OR IMPROPER", IDENTIFY  
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RECIPIENTS. SAID WOULD THUS SERVE AS DETERRENT TO  
BRIBERY/EXTORTION, HELP RESTORE CONFIDENCE IN US BUSINESS  
PRACTISES. CALLS FOR REPORTS TO SECCOMM, WHO WOULD  
MAKE AVAILABLE TO IRS, SEC, DOJ, DOS, APPROPRIATE  
CONGRESSIONAL CMTEs, AND FOREIGN GOVTS WHEN WARRANTED,  
TO HELP ENFORCE OWN LAWS. WOULD MAKE PUBLIC AFTER YEAR,  
UNLESS SECSTATE OR AG FILE WRITTEN DECLARATION  
CONSIDERATIONS OF FOPOLICY OR JUDICIAL PROCESS "DICTATE  
AGAINST." (NYDN; CSM; AP, PHINQ; DOBBIN, SUN; DALE,  
NYT).

RICHARDSON TOLD PRESS CRIMINAL PENALTIES NOT RECOMMENDED  
BECAUSE UNENFORCEABLE. DIFFERS FROM SEN BANKING CMTE  
BILL WHICH PROVIDES CRIMINAL PENALTIES (BERRY, WP).

LOCKHEED TUES REPORTED 24.2 PCT DROP IN 2ND/QTR  
EARNINGS TO 11.3 MILLION DOLS. ATTRIBUTED MOSTLY TO  
SUBSTANTIAL COSTS/25 MILLION DOL TRISTAR WRITE-OFF.  
CHAIRMAN HAACK SAID NEW AGREEMENT WITH 24 CREDITORS,  
35 MILL DOL REDUCTION FIRM BANK LOANS, 625 MILLION  
DOL CONTRACT BUILD SAUDIA ARABIA ATC SYSTEM, RECORD 697  
MILLION DOL ORION SALE CANADA PUT FIRM IN "OVERALL  
STRONGER POSITION" (AP, SUN, NYDN, WP; WSJ, BURBANK;  
NYT).

COMMENT AND ANALYSIS

11. KOREA

CSM'S STUART REVIEWS RECENT ALLEGATIONS, PROBES. DETECTS  
MOUNTING ATTACK AGAINST "SOUTH KOREAN LOBBY" IN US,  
INCLUDING SHADOWY NETWORK LOBBYISTS, PROMOTERS, KCIA,  
REV MOON, ALL OF WHOM TRYING KEEP ALIVE US MIL/ECON  
SUPPORT FOR ALLY THAT HAS BECOME INCREASINGLY REPRESSIVE  
DICTATORSHIP. SEES DIFFICULTY COMPOUNDED FOR SK LOBBY  
BY POSSIBILITY JIMMY CARTER MAY WIN, -ARRY OUT PLEDGE  
REDEPLOY NUKES, "GRADUALLY PHASE OUT" US TROOPS IN SK.

12. JAPAN

WHYMANT (CDN 7/28) SAYS JAPAN "STUNNED" BY TANAKA

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ARREST, EVEN MIKI TAKEN BY SURPRISE. NOTES CYNICS EXPECTED LOCKHEED PROBES NET ONLY SMALL FRY. ADDS TANAKA SAID MET KOTCHIAN ONLY ONCE, AS MITI, JAN 1972, BUT PROBE DATA SHOWS THEY MET "AT LEAST THREE TIMES" TO DISCUSS AIRCRAFT MATTERS.

CDN'S BEECH (7/29) RECOUNTS TANAKA'S RISE/FALL INTO RUIN. FINDS NEARLY ALL BUT TANAKA'S FOLLOWERS PLEASED THAT "WHEELER-DEALER" HAS BEEN NAILED AT LAST. QUOTES JAPANESE EDITOR WHO SAID HAPPILY ONLY IDFFERENCE FROM WATERGATE IS "JAPAN'S NIXON IS IN JAIL."

BEECH ALSO NOTES (CDN 8/1) OTHER LDP MEMBERS "WAITING APPREHENSIVELY" FOR AX TO FALL. CITES SOURCES CLOSE TO PROBES WHO SAY FOUR MORE PROMINENT POLITICIANS "DEEPLY INVOLVED" EVEN IF DID NOT ACTUALLY RECEIVE MONEY, WITH SPECULATION CENTERED ON 3 TANAKA AIDES AND NAKASONE, WHO SHOWS "ACUTE NERVOUSNESS" IN TV APPEARANCES THESE DAYS. NOTES HOPE THAT TANAKA'S ARREST WILL RESTORE SOME DEGREE FAITH IN JAPAN'S BADLY TARNISHED POST-WAR POLITICAL SYSTEM.

KN'S KIRK (GLOBE 8/1) STATES "JAPAN'S WATERGATE " THREATENS ENGULF MANY POL LEADERS, MAY EVEN BRING DOWN GOVT. REMAINS BE SEEN WHETHER PROBE DISCLOSES LOCKHEED BRIBES WENT TO MIKI/FUKUDA ALLIES. OPINES TANAKA ARREST TEMPORARILY BUOYS UP MIKI, ENHANCES FUKUDA'S LONG-STANDING AMBITION LEAD GOVT.

CDN (8/1)PORTRAYS JAPANESE SHOCK AT TANAKA ARREST TEMPERED BY SATISFACTION OF LITTLE MEN WHO SEE BIG ONES CANNOT ESCAPE ARM OF LAW. PERCEIVES "SAD IRONY" IN WATCHING GOVT SHAPED IN US IMAGE STRUGGLING WITH LOCKHEED SCANDAL "THAT MIRRORS IN SIZE AND KIND, IF NOT SUBSTANCE, THE WATERGATE AFFAIR." BELIEVES AMERICANS CAN EMPATHIZE WITH FRIENDS ACROSS PACIFIC. STATES USG HAS RESPONSIBILITY TO DETER US FIRMS FROM SUBVERTING, EVEN INDIRECTLY, ALLIES' GOVTS. URGES, AT VERY LEAST, SEN BILL ON MNC PAYMENTS SHOULD REQUIRE FULL DISCLOSURE FOREIGN TRANSACTIONS.

GLOBE (8/2) LAUDS MIKI FOR RISING TO GREATNESS IN CARETAKER ROLE SURELY/SURPRISINGLY AS DID HST, JOHN XXIII. MIKI  
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PARDONED NO ONE, PERMITTED NO COVERUPS IN LOCKHEED PROBE, AND TANAKA NOW IN JAIL AWAITING TRIAL. NEW COMMITMENT TO EQUAL JUSTICE SEEMS TO HAVE REINVIGORATED JAPAN'S DEMOCRATIC INSTITUTIONS. PUBLIC IS THRILLED, AND LDP

SEEMS LIKELY REMAIN IN POWER -- IF CONTINUES PROSECUTE/  
REFORM. AS ONLY MIKI UNDERSTOOD AT FIRST, FACING UP IS  
BEST WAY SAVE FACE.

OKA (CSM 8/2) BELIEVES TANAKA ARREST NOT JUST BAD LUCK,  
BUT PRESAGES POLITICAL REFORMS IN JAPAN FOR NUMBER  
REASONS -- LDP LED BY MIKI, WHO IN YOUTH WAS  
INFLUENCED GREATLY BY US GRASS ROOTS DEMOCRACY/  
OPEN GOVT; LDP FACES ELECTION THIS YEAR, AND MUST  
SHOW VOTERS HAS PURGED SELF OF BRIBE TAKING/INFLUENCE  
PEDDLING; GROWTH OF "CITIZEN POWER" WHICH DEMANDS  
IMPROVEMENT IN ALL SECTORS OF LIFE.

JAMESON (LAT 8/3) REVIEWS TANAKA ARREST, SUICIDE OF  
HIS LONG-TIME CHAUFFEUR. NOTES TANAKA INDICTMENT  
FAILS TELL HOW LOCKHEED FUNDS BROUGHT INTO JAPAN.  
SAYS REVERBERATIONS CONTINUE SHAKE POLITICAL WORLD.

NOTES TANAKA RESIGNATION LEAVES LDP 267 SEATS IN LOWER  
HOUSE, ONLY 11 ABOVE MAJORITY AFTER 20 SEATS ADDED  
NEXT ELECTION BEFORE END THIS YEAR. CITES FUKUDA WARNING  
PARTY MAY LOSE MAJORITY.

CULLISON (JOC) REVIEWS POLITICAL CONVULSIONS CAUSED BY  
TANAKA ARREST INCLUDE GROWING DEMAND IN LDP FOR MIKI  
RESIGNATION, AT LEAST END LOCKHEED PROBE. SEES PM  
GROWING "DESPERATE." OPINES OUTCOME MAY DEPEND ON  
WHETHER KOTCHIAN TESTIMONY, DUE TOKYO THIS WEEK, NAMES  
CURRENT GOJ MINISTERS LDP OFFICIALS. STATES ENTIRE  
AFFAIR MOVING RAPIDLY TOWARD EARLY CONCLUSION.

SUN'S SEIDEN NOTES SUSPICION GROWING THAT FOUL PLAY MAY  
HAVE CAUSED DEATH OF SOME OF NINE PEOPLE INVOLVED IN  
LOCKHEED PROBE. SAYS POLICE ATTRIBUTE ALL TO NATURAL  
CAUSES, BUT THREE POTENTIAL WITNESSES, TWO GOVT PROBERS,  
NEWS REPORTER, INTERPRETER TARO FUKUDA, TANAKA CHAUFFEUR  
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HAVE DIED OF HEART ATTACKS, SUICIDE, OTHER CAUSES  
SINCE SCANDAL BROKE. NOTES OBITS ALSO INCLUDE LOCKHEED  
ACCT IN BURBANK, INDONESIAN ASSOCIATE OF SHIG KATAYAMA,  
MARUBENI OFFICIALS WHO WORKED ON AIRCRAFT DEALS.

13. CHINA

GELB (NYT) STATES FORD ADMIN'S ARMS SALES PROGRAM TO TAI-  
WAN INTENDED MAKE ISLAND SELF-SUFFICIENT IN DEFENSE  
AGAINST MAINLAND. SAYS IN LONG RUN, SALES MAY MAKE IT  
EASIER FOR US ABROGATE TAIWAN DEFENSE TREATY; IN SHORT  
RUN HOWEVER, US COULD SUFFER CHARGES OF BAD FAITH FROM  
PEKING IF SALES SEEN AS ATTEMPT ESTABLISH PERMANENT DE

FACTO SEPARATION TAIWAN FROM PRC. GELB CITES ADMIN'S RECENT BUDGET PRESENTATION TO CONGRESS IN WHICH WAS NOTED "THREAT OF ASSAULT" COULD INCREASE OVER NEXT FEW YRS AS RESULT PRC'S GROWING NUCLEAR AIR/NAVAL CAPABILITY (ALSO IN SUN).

ARMBRUSTER (CSM) WRITES ABOUT HUNG TUNG, ILLITERATE FISHERMAN WHO TURNED TO ART AT AGE 50, SUDDENLY TOOK TAIWAN'S ART WORLD BY STORM. RECENT EXHIBIT AT USIS OFFICE IN TAIPEI ATTRACTED OVER 5,000 PEOPLE PER DAY--LARGEST CROWD EVER VIEW EXHIBIT THERE.

DESPITE TERSE OFFICIAL REPORTS SUN (7/31), STATES IT CLEAR THAT WEDS QUAKE SPREAD CALAMITY "AT LEAST FROM PEKING TO TIENTSIN" AND "VIRTUALLY FLATTENED" MINING/INDUSTRIAL CENTER TANGSHAN. OPINES ONLY CHINESE CAN DECIDE WHETHER EXTRAORDINARY SITUATION WILL PERMIT THEM TO DEVIATE FROM ESTABLISHED POLICY OF SELF-RELIANCE, ACCEPT "OUTSIDE SUPPLEMENTS." GIVES ASSURANCE THAT OFFERS OF PRIVATE/GOVT AID REFLECT SPONTANEOUS AND HEARTFELT CONCERN OF AMERICAN PEOPLE.

NYT'S SULZBERGER (7/31) FEELS "PARTICULAR SADNESS" AT CHINA QUAKE, BECAUSE PRC HAS MADE EFFORTS TO REFINE FORECASTING TECHNIQUES, MINIMIZE CASUALTIES. HOPES MORE FORTUNATE COUNTRIES WILL EXTEND HELPING HAND AT THIS MOMENT OF NEED, ALTHOUGH PRC MAY BE TOO PROUD UNCLASSIFIED

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TO SAY SO.

#### 14. INDOCHINA/THAILAND

CSM WONDERES WHY HANOI STOPPED LETTING AMCITS DEPART LAST YR, THEN LET ALMOST ALL GO THIS WK. CONSIDERS POSSIBILITIES: VN MAY BE SETTING STAGE FOR RENEWED EFFORTS GET UN MEMBERSHIP; EFFORT NORMALIZED RELS WITH US, OTHER COUNTRIES SAYS HANOI'S MISTAKE IS TO HARK BACK TO FEW UNVIOLATED SHREDS" OF 1973 C-F, IMPLY 3.25 BILLION DOLS IN AID IS PRICE OF INFO ON MIAS. OPINES IF HANOI WANTS PUT BRUTALITY BEHIND IT, WILL CONVEY WHATEVER INFO IT HAS. QUOTES AUSSIE PM FRASER THAT US WITHDRAWAL FROM SVN HAS DONE LESS DAMAGE THAN FEARED, WITH VN PROBABLY CONCENTRATING ON DOMESTIC PROBLEMS. ADVISES HANOI DEVELOP CONFIDENCE IN OWN PEACEFUL, RESPONSIBLE INTENTIONS IF NORMALIZED RELS TO OCCUR, WITHOUT SUCH EPISODES AS UNEXPLAINED SUSPENSION US DEPARTURES LAST YR.

SUN REVIEWS HISTORY SIAM OF BENDING WITH WIND, NOTES STILL WITH US DEPARTURE. SAYS FORD ADMIN WISELY BENT WITH THAIS. OPINES RTG HAS BENT US CONNECTION, BUT NOT BROKEN IT SINCE



250 US MIL ADVISERS WILL REMAIN. BELIEVES HANOI'S WIL-  
LINGNESS TALK WITH THAIS DESPITE VESTIGIAL US PRESENCE  
BASED APPARENTLY ON RECENT VN ACKNOWLEDGEMENT OTHER SEA  
NATIONS RIGHT ACCEPT AID SO LONG AS DON'T BECOME BASES  
FOR GREAT-POWER OPNS. CONCLUDES THO FEW EXPECT HANOI  
GIVE UP AIDING THAI INSURGENCY, BOTH COUNTRIES CAN GAIN  
BY NORMAL RELS, WHILE RTG CAN BEST CONTROL INSURGENCY BY  
ASSURING THAIS FIND BANGKOK MORE APPEALING SEAT OF AU-  
THORITY THAN HANOI.

SIMON (WP) LOOKS OVER MOUNTING CRIME WAVE IN THAILAND,  
NOTES FEAR ULTIMATE VICTIM MAY BE EXPERIMENT WITH DEMO-  
CRATIC GOVT. CALLS NATL POLICE CORRUPT, INEFFECTIVE.  
SAYS CAUSES MOUNTING CRIME MAY BE WIDESPREAD UNCERTAINTY  
AFTER COMMUNIST INDOCHINA VICTORIES, UNEMPLOYMENT,  
SPREADING POVERTY, DRUG ABUSE, GENL MORAL DECAY. ADDS END  
INDOCHINA WAR FLOODS THAILAND WITH ARMS. GIVES VIGNETTES  
TO ILLUSTRATE CRIMESITUATION.MENTIONS SOME ATTEMPTS UP-  
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GRADE POLICE. STATES EXPERTS DIVIDED ON REASONS BEHIND  
HIGH MURDER RATE, WITH SOME SAYING DEMOCRACY CAME TOO  
SUDDENLY, MOST THAIS ILL-PREPARED FOR SOCIAL RESPONSIBIL-  
ITIES NEW SYSTEM.

15. BURMA

KRAMER (WSJ 8/3) CALLS BLACK MARKET ONLY EFFICIENT, GROW-  
ING SECTOR IN OTHERWISE STAGNATING ECONOMY. NOTES BLK  
MKT HAS INCREDIBLE IMPORTANCE DUE INEFFICIENT, MISMANAGED,  
CORRUPT STATE ECONOMY. HEARS SMUGGLERS IMPORT/EXPORT  
MORE THAN OFFICIAL TRADE. REVIEWS DETERIORATION RICE EX-  
PORTS, INADEQUATE SUPPLIES NECESSITIES, LOW OFFICIAL  
SALARIES. GIVES UNFLATTERING VIEWS "BURMESE WAY TO SO-  
CIALISM." DESCRIBES COUNTRY'S NATURAL RICHES, GOVT  
GROWING DEFICIT, LACK HARD CURRENCY DUE LOW EXPORTS, IN-  
CREASING LOOKING ABROAD FOR AID, LOANS IN DEPARTURE FROM  
PREVIOUS POLICT. SEES GREATEST PRESSURE FOR CHANGE  
COMING FROM BURMESE PEOPLE , WHILE GOVT DEPENDENT ON ARMY.  
BUT FINDS CERTAIN SEEDY CHARM IN RANGOON, WITH QUIET  
STREETS, SPARSE TRAFFIC, FEW NEON SIGNS.

16. AUSTRALIA

COSTIGAN (WP 8/3) SEES FRASER'S VISIT REAFFIRMING "COZY  
RELATIONSHIP" BETWEEN US-AUSTRALIA WHICH WAS LOST DURING  
WHITLAM ADMIN. STATES VISIT SHOULD HAVE ASSURED FORD,  
WHOEVER MAY OCCUPY WH DURING FRASER GOVT, THAT LONG  
AS US MAINTAINS PRESENCE WEST OF HAWAII AND EAST OF ADEN,  
IT CAN COUNT ON AUSSIE SUPPORT "IN VIRTUALLY EVERYTHING  
ELSE." COSTIGAN NOTES "JUST IN CASE" ELECTION BRINGS

NEW PRES, FRASER "WENT OUT OF HIS WAY" TO PHONE CARTER  
FOR "LONG TALK."

17. MALAYSIA

CSM (8/2) REMARKS THAT SAME OBSERVERS WHO VIEWED PM  
HUSSEIN ONN AS WEAK SUCCESSOR TO TUN RAZAK NOW SEE HIM  
AS SUCCESSFULLY ENSURING MALAYSIA'S STABILITY IN FACE  
INTL COMMUNISM/TERRORISM, AS WELL AS SUSTAINING GOOD  
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ECON GROWTH. COSTIGAN CREDITS ONN WITH INTRODUCING "NEW  
SPIRIT OF HOPEFULNESS" TO COUNTRY WHICH ONLY FEW MONTHS  
AGO "TEETERED ON THE BRINK OF POLITICAL INSTABILITY."

18. PHILIPPINES

PRIMITIVO MIJARES, WHO CLAIMS MARCOS OFFERED HIM 100,000  
DOL BRIBE NOT SUBMIT HOUSE TESTIMONY, WROTE BOOK, "THE  
CONJUGAL DICTATORSHIP," IN WHICH HE PREDICTS MOUNTING  
ECON HARDHIPS WILL CAUSE MARCOS REGIME COLLAPSE BY 1981.  
MIJARES CONTENDS ONCE MARCOS LOSES MIL SUPPORT, HIS,  
IMELDA'S RULE FINISHED. "PARADE" MAG EDITOR ADDS MARCOS  
AND HIS "IRON BUTTERFLY" DETERMINED "SQUEEZE EVERY LAST  
NICKEL" OUT OF US (WP PARADE MAG 8/1).

19. INDONESIA

MCDONALD (WP) SAYS THERE EXISTS ALMOST UNIVERSAL RESENT-  
MENT AMONG IRIAN JAYA NATIVES TOWARD INDONESIAN RULE, DE-  
SPITE CENTRAL GOVT'S EFFORTS DEVELOP TERRITORY AFTER YRS  
OF PLUNDER. NATIVES FIRED UP OVER MINIMAL IRIANESE PAR-  
TICIPATION IN GOVT PROGRAMS, FACT NEIGHBORING PNG GAINED  
INDEPENDENCE LAST SEPT.

IN SEPARATE ITEM (8/3) MCDONALD REPORTS HOW FUNDAMENTAL-  
IST CHRISTIAN MISSIONARIES MEETING HOSTILE, SOMETIMES  
MURDEROUS REACTIONS FROM IRIAN JAYA'S PRIMITIVE MOUNTAIN  
PEOPLE. INCIDENT OF CANNIBALISM OCCURRED AMONG PROTESTANT  
MISSIONARIES 18 MONTHS AGO WHEREIN 13 ASSISTANTS KILLED.  
MCDONALD CITES ONE SOURCE WHICH EXPLAINS THAT PROTESTANT  
HAVING TROUBLE BECAUSE THEY ATTEMPT CHANGE TRIBAL CULTURE  
WHILE CATHOLICS FURTHER SOUTH MORE SUCCESSFUL BECAUSE  
NATIVE CULTURE INCORPORATED INTO THEIR EVANGELISM.

20. LOS

WP (8/1) CA-LS CONFERENCE DARING, VITAL EFFORT FORGE  
INTL AGREEMENT. SEES 2 MAJOR ISSUES: FISHING, SEABED  
MINERALS. OPINES HARD FOR OUTSIDERS BE SURE US NEGOTI-  
TIATES WISELY, WELL. WILSON (WP 8/1) REVIEWS OCEAN

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RICHES, PAST ATTEMPTS GOVERN EXPLOITATION SEAS. QUOTES OFFICIALS THAT LOS ISSUES SO TOUGH, RESOLVING THEM MAY TAKE 3 MORE YRS; REPORTS PROBLEMS, US POSITION ON SOME ISSUES.

NOSSITER (WP 8/1) QUOTES SOME EXPERTS THAT WORLD MIGHT BE BETTER SERVED BY DEADLOCK AT LOS CONFERENCE DUE FEAR AGREEMENTS TO LIMIT SEA EXPLOITATION TO PROP UP PRICES FOR EXISTING MINERALS' PRODUCERS. REVIEWS PROGRESS OF EARLIER CONFERENCES. NYT (8/2) SEES TRILLIONS OF DOLLARS AT STAKE, WITH POSSIBLE "SMASH AND GRAB" BY WORLD POWERS IF AGREEMENT NOT REACHED. NOTES GENL AGREEMENT REACHED SO FAR ON 80 PCT OF 400-ODD ARTICLES; CALLS THIS REMARK-ABLE ACHIEVEMENT. SEES THREATS TO CONFERENCE IN DEVEL-OPING NATIONS' BELIEF THAT BY STALLING MIGHT GET BETTER DEAL FROM NEXT US ADMIN, THREAT OF LEFT/RIGHT UNDO PRO-GRESS ACHIEVED LAST TIME, DEMAND LANDLOCKED STATES FOR ACCESS TO 200-MI ECON ZONE. BELIEVES US DELEGATION MAY BE KEY TO SUCCESS/FAILURE OF CONFERENCE.

BOWIE (CSM) APPRECIATES CONFERENCE MOVES SLOWLY DUE MANY PARTICIPANTS, COMPLEX ISSUES. DEPLORES FACT US NOT WELL-ORGANIZED, PREPARED PROVIDE CONSTRUCTIVE LEADERSHIP. QUOTES DEPUTY SECDEF CLEMENTS THAT US POSITION "FIRST-CLASS MESS," WITH NO POLICYMAKING DIRECTION, MANAGEMENT. NOTES US HAS NO EFFECTIV- LEADERSHIP FOR NEGOTIATIONS FOR OVER YR, CONGRESS UNDERCUT CONFERENCE BY PASSING 200-MI FISHING JURISDICTION BILL, ADMIN DOESN'T KEEP CONGRESS ABREAST OF NEGOTIATIONS. BELIEVES JIMMY CARTER WOULD AS-SIGN HGIHER PRIORITY TO SUCH "WORLD-ORDER POLITICS." OPINES US DOES NOT NOW HAVE PRACTICAL POLICIES BACK UP MUCH OF RHETORIC, CANNOT HAVE THEM WITHOUT RADICAL CHANGES IN METHODS MAKING POLICY. HABIB

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## Message Attributes

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